



## Background

Airport service workers — a workforce powered by Black, brown and immigrant workers — keep Minneapolis Saint Paul International Airport (MSP) running smoothly. Airport service workers were expected to step up during the worst of the pandemic, putting themselves and their families at risk – and they did.

These workers play an outsized role in ensuring the MSP maintains its status as one of the best airports in the country. However, despite their essential work, many airport service workers are under protected and underpaid. A 2023 survey conducted by the Metropolitan Airports Commission (MAC) noted that 30% of all airport employees accept employer provided health insurance, indicating significant issues for affordable benefits for workers.<sup>1</sup>

The air transportation industry receives billions in federal dollars every year, yet major airlines are failing to ensure that those public funds go toward supporting airport workers with living wages and benefits like affordable healthcare.<sup>2</sup>

## McNamara-O’Hara Service Contract Act (SCA)

The Federal government has policies to ensure that government work is compensated fairly. The McNamara-O’Hara Service Contract Act (SCA) passed in 1965 is one such policy.<sup>3</sup> The SCA requires all employers with government contracts above \$2,500 to pay service workers no less than the average wage and employee benefits in the locality. This concept is also known as prevailing wage. “Health and Wellness Benefits” are a part of employee or fringe benefits included in a prevailing wage.

*There are currently 12 airports that have adopted the SCA hourly employee benefit standard, including for health and welfare benefits.<sup>4</sup>*

## Passing the MSP Healthcare Equity Act will:

- Require an employer to provide an employee who enrolls in an employer provided health benefits plan the minimum fringe benefits as determined by the SCA (currently \$4.98)
- Allow for the Metropolitan Airport Commission (MAC) to enforce implementation
- Promote conditions for a strong and stable workforce at MSP

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<sup>1</sup> Health Care Take Rate Survey, Metropolitan Airport Commission, FOIA accessed 2023

<sup>2</sup> [Airport Service Workers Deserve Good Jobs](#), Center for American Progress, 2023

<sup>3</sup> [ALL AGENCY MEMORANDUM NUMBER 239- Wage and Hour Division](#), The US Department of Labor, accessed 2022

<sup>4</sup> [Healthcare Equity: Another Airport Delay? Ensuring Affordable Healthcare for East African Workers at MSP](#), Minneapolis St Paul Airport Workers Council, 2022



### **About the Coalition**

*SEIU – Local 26* is Minnesota’s Property Services Union. We are janitors, security officers, and window cleaners—more than 8,000 strong in the Twin Cities metro area with 1,200 members at MSP. Local 26 members are largely Black, brown, immigrant, and low-wage workers.

*UNITE HERE Local 17* is Minnesota’s Hospitality Union! We represent more than 6,000 workers in hotels, restaurants, sports complexes, convention centers, and the airport in Minneapolis, Saint Paul, and surrounding suburbs, with 1,400 members at MSP.

*Teamsters Joint Council 32* is the umbrella organization for 13 affiliated Teamster Local Unions representing more than 75,000 active and retired members in Minnesota, Iowa, North Dakota and South Dakota.